

From: CFriemel@firstvictoria.com on 04/13/2006 03:40:04 PM

Subject: Commercial Real Estate Lending

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
Washington, DC 20551

Ms. Johnson,

As Senior Credit Officer of First Victoria National Bank, Victoria, Texas (\$1Billion Assets), please allow me to express my bank's concern for the proposed commercial real estate lending guidelines. Our bank maintains 13 branches in South and Central Texas predominantly located in small, rural markets with strong ties to the communities in which we serve. Should the guidelines become regulation, our bank strongly feels our ability to grow and expand, and generate income for future capital strength would be hampered.

Many of our markets are dependent on commercial real estate loans, and in fact, are some of the more safe and sound loans made in our bank. Our loan policy guidelines are taken from regulatory authority, and therefore, are underwritten with the utmost sense of security. To further hinder our ability to service our customers and communities by establishing guidelines not conducive to our markets' needs could be troublesome to our institution and the growth of the company.

We ask that the Board of Governors consider our position and the position of all community banks before making such a decision. Thank you.

Craig Friemel
Senior Vice President
First Victoria National Bank